

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE,
NASHVILLE DIVISION**

SENTINEL TRUST COMPANY,
Danny N. Bates, Clifton T. Bates,
Howard H. Cochran, Bradley S. Lancaster,
and Gary L. O'Brien

Plaintiffs

v.

KEVIN P. LAVENDER, Tennessee Commissioner
of Financial Institutions

Defendant

Civil Action No.:

3-04-0836

JUDGE NIXON

**PLAINTIFFS' RESPONSE TO DEFENDANT'S
MOTION TO DISMISS**

Plaintiffs have already filed a motion for oral argument upon Defendant's Motion to Dismiss, but take the precaution of filing this express response to the said defensive motion to avoid any possibility of default in their pleading obligations to this Court.

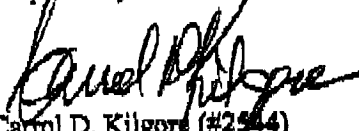
Plaintiff's sworn pleading and supporting documentation have proven that Sentinel Trust Company and its accounts are of great value to its owners if it were allowed to resume operation of its business and serving its customers, but it has insisted that—because of the fact that every bond-issuer has an absolute right to remove its trustee and appoint a substitute—it was economically impossible that any bank in its right mind would offer any money for Sentinel's fiduciary account (Complaint, ¶ 18). Defendant has now confirmed the accuracy of this allegation by motion filed in

the Lewis County Chancery Court, a copy of which is attached hereto as Exhibit 1, reporting that no bank would bid for the accounts, but that identified banks are willing to accept them, essentially as gifts, leaving the Defendant Commissioner free to destroy Sentinel by pursuing its liquidation litigation (which Sentinel itself had been competently pursuing before seizure) and by selling its real property (Amended Complaint, ¶ 23a (iii)).

For the reasons set out in the Complaint, as amended, and in all briefs filed by Plaintiffs herein, as well as the brief filed herewith, Plaintiffs submit that the Motion to Dismiss should be overruled.

However, if the Court, in its discretion, does not wish to accept and exercise jurisdiction of this case, Plaintiffs would much prefer dismissal without prejudice to the expensive retention of the case on this Court's docket without decision on the merits. Plaintiffs respectfully insist that they should have a right to decision on the merits *of their actual contentions* in some court.

Respectfully submitted,


Carol D. Kilgore (#2544)
227 Second Avenue, North
Nashville, Tennessee 37201-1693
(615) 254-8801
Attorney for Plaintiffs

Certificate of Service

It is hereby certified that on this November 5, 2004, a copy of the foregoing motion has been fax-transmitted and mailed to the offices of JANET M. KLEINFELTER, ESQ., Senior Counsel, Financial Division, Attorney-General of Tennessee, 425 Fifth Avenue, North, Nashville, Tennessee 37243.

